July 22, 2003

TO: ITF Members

FROM: Jim Fox, Special Assistant to the Director

SUBJECT: Small Grant Program

Sponsors of small habitat projects (under \$50,000) are often volunteer groups or small nonprofit organizations without the resources or expertise to go through the normal lead entity and SRFB application and review process. However, these small projects can be beneficial to salmon and, in addition, can leverage significant amounts of volunteer participation and help to engage the local community in salmon recovery efforts. One solution to providing funding for small projects is a separate grant program where the application and evaluation process would be simplified and shortened. The Oregon Watershed Enhancement Board (OWEB), for example, has committed \$2.8 million for a program for grants of \$10,000 and smaller.

SRFB staff have been approached several times in the past by organizations, including People for Salmon and For Sake of the Salmon, with ideas for conducting a small grant program. Most recently, the National Fish and Wildlife Foundation (NFWF) has inquired about the possibility of submitting a request to the SRFB for matching funds to help replicate the King County Community Salmon Fund in other Puget Sound counties. The Community Salmon Fund (CSF) awards grants of up to \$50,000 for restoration projects. NFWF provides federal funds to the CSF, which are matched dollar-for-dollar by a combination of sponsor match, King County funds, and private donations. Several other Puget Sound counties are following suit (Pierce and Thurston) and other entities have expressed an interest in becoming a local program sponsor in their area but do not have sufficient matching funds (Whatcom County, Skagit Watershed Council, Friends of the San Juans, the Nisqually Tribe, Clallam County, and Kitsap County). NFWF is proposing that SRFB funds be used to provide the match for these potential local program sponsors.

There are a number of issues that need to be addressed before the SRFB makes a decision about whether to proceed with funding a small grant program:

- 1. How beneficial to salmon are small projects relative to their cost? Are ten \$50,000 projects more or less effective than one \$500,000 project?
- 2. What additional benefits do small grants offer besides the direct biological benefits to salmon and salmon habitat?

^{*} See the Appendix for information regarding SRFB funding of small grants through the traditional grant program.

- 3. Would SRFB funds applied to a small grant program leverage additional money or resources or provide additional benefits compared to keeping the funds in the traditional SRFB grant program?
- 4. It the small grant program depends on local program sponsors (such as in the Community Salmon Fund) to solicit, evaluate, and select projects for funding, what types of organizations and agencies should be eligible to become local program sponsors? (tribes, counties, lead entities, nonprofit organizations...?)
- 5. How should lead entities be involved in a small grant program (development of the local program, project evaluation and selection)? How should the lead entity strategy be used?
- 6. If the SRFB delegates administration of a small grant program to another entity, how can the Board maintain an adequate level of oversight and accountability for the funds??
- 7. How much funding should be set aside for each small grant program sponsor and for the whole program?
- 8. What types of projects would be eligible to receive grants? What would be the maximum amount for each grant? How much project sponsor match should be required?
- 9. Should the SRFB seek proposals from other potential partners in addition to or besides NFWF— perhaps through release of an RFP? There may be foundations, public utilities, or other governmental agencies that would be interested in cosponsoring or contributing to a small grant program, particularly in areas other than Puget Sound. Alternatively, the Board could start with the NFWF proposal as a pilot program to evaluate the concept as applied. Assuming the pilot proves successful, the Board could then solicit proposals for, or establish funding for, a statewide program or programs in other regions.

Several possible models for a small grant program will be provided at the meeting for the ITF to consider.

Appendix

Number of grants \$50,000 or less funded by SRFB:

Round 1: 18 out of 60 applying; 245 applications total Round 3: 14 out of 26 applying; 216 applications total Round 4: 3 out of 21 applying; 207 applications total

Average SRFB grant size:

Average Grant Size

